

Section 4



Discipline Management Policies & Procedures

Europe & Asia Commercial Co., Ltd

Human Resources Department

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1. Purpose

The purpose of this section is to provide a general guidance on the discipline policies and procedures. It is important to maintain good employee conduct and discipline, and safeguard the interest of the employees and Company. This is also to provide a conducive work environment to enable all employees to perform to their fullest capacity and have an overall positive work experience with the Company.

2. Scope

The policies and procedures stipulated herein shall be applicable to all staff at Europe and Asia Commercial Company Limited (EAC), not based at factory sites.

The Company reserves the right to amend or delete any policy or procedure or part of thereof and when deemed necessary. There shall be no retrospective effect on any changes to all terms and conditions or service, policies and procedures.

Should there be a difference between the English and Burmese version, the Burmese version will be regarded as the version to comply with.

3. References

- 3.1 Myanmar Labour Laws and other related laws
- 3.2 EAC Terms & Conditions of Employment
- 3.3 Company Non-Disclosure Agreement
- 3.4 Company Code of Conduct

4. Policies and Procedures

4.1 Definition of Misconduct

Misconduct is defined as improper and unacceptable behaviour that violates the proper work order and obligation to the Company. This can be classified under the following categories:

- 4.1.1 Misconduct relating to work performance (duty) such as negligence, fraud, misappropriation, theft, insubordination, etc.
- 4.1.2 Misconduct relating to discipline such as fighting, assault, quarrel, gambling, damage to Company's property, drug abuse, etc
- 4.1.3 Misconduct relating to morality such as indecent act, sexual harassment, keeping or distributing indecent or pornographic literature at the workplace, etc.

4.1.4 The severity of the disciplinary action shall commensurate with the nature and seriousness of the misconduct, whether minor or major which can range from verbal warning to dismissal

4.2 Gross Misconduct

4.2.1 Employees can be dismissed immediately upon confirmed findings.

Examples include the following :

- Fighting
- Theft
- Insubordination
- Threatening violence
- Sexual harassment
- Possession and/or circulation of pornographic materials at work premise
- Under influence of alcohol or drugs or similar substances whilst on duty
- Trafficking of drugs
- Damage to Company property
- Gambling
- Unauthorised possession of a weapon on Company premises or use, or threatened use, of any such weapon.
- Making of and/or presenting false documents information or evidence for personal gain.
- Altering, falsifying or misrepresenting official Company documents, with the intent to defraud or try to defraud.
- Intimidation or victimisation.
- Accepting bribes
- Violating safety standards
- Gross negligence of duty
- Repeated minor misconducts
- Accepting money or other consideration for performing work or any other favour in order to favour anyone else at the Company's expense.
- Violate Non-Disclosure agreement
- Making damaging remarks about the Company on social media

4.3 Minor Misconduct

4.3.1 The disciplinary actions taken against the staff includes warning letter, serious warning letter, demotion with/without salary reduction, suspension without salary, forfeiture of performance bonus and no salary increase.

Examples include the following :

- Unauthorised absence from work
- Not punctual to work and/or leave before work hours without approval.
- Extended meal or tea time
- Failure to use Face Scan
- Inefficient time-keeping
- Failure to carry out instructions
- Negligence on duty
- Excessive use of mobile phones or social media for personal reasons

- Misuse of company property
- Rude or disruptive behavior
- Failure to carry our instructions

4.3.2 All consistent repeated minor misconduct will be regarded as major misconduct.

4.3.3 Depending on the circumstances, the above could be viewed as gross misconduct if the Company's property and/or operations are jeopardised or any lives are at risk.

4.4 Duty to Report

4.4.1 All misconduct cases must be reported to HR within 24 hours after the incurrance. Notification can be via email or mobile messages.

4.4.2 Where the misconduct occurs during weekends or public holidays, immediate suspension from workplace must be done pending investigation.

4.4.3 Upon receipt of the report or upon discovery of the misconduct, the Company will conduct an investigation to ascertain the validity of the report and determine the seriousness of the alleged misconduct.

4.5 Investigation

4.5.1 Management has the right to assign any party to investigate the case and collect information related to the case. Typically, the Audit Department and respective Reporting Manager in consultation with HR, will carry out the investigation.

4.5.2 The outcome of the information is given to HR and HR will prepare the Investigation Outcome Form (appendix DS 4-1) and send to the Reporting Manager of the accused. All Information will managed strictly confidential.

4.5.3 An employee being served a suspension from work letter is not permitted to conduct any form of work and/or enter the work premise unless authorized by the Reporting Manager or HR.

4.6 Disciplinary Actions

4.6.1 Depending on the confirmed findings of the investigation and severity of the nature, HR will recommend the appropriate disciplinary action to the respective Reporting Manager, Head of Department and Director and upon their endorsement, HR will seek CEO's approval to effect the appropriate action.

4.6.2 HR will issue the Disciplinary Action Forms depending on the severity of the actions.

4.6.3 It is the Management's prerogative to enforce disciplinary actions of a varying degree of seriousness against any employee who violates the Disciplinary Policies and Procedures according to the nature and severity of the misconduct committed.

5.0 Appendix

1	Appendix DS 4-1	Investigation Outcome Form
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